## III. REMARKS

## Status of the Claims

Claims 1-11 are cancelled and new claims 12-16 are added. Claims 12-16 are presented for consideration.

## Summary of the Office Action

Claims 1 and 2 stand rejected under 35USC102(b) on the basis of the cited reference Gilham, U.S. Patent No. 4,934,846 and also on the basis of the cited reference Fougere, U.S. Patent No. 4,743,747. Claims 7 and 9 stand rejected under 35USC102(b) on the basis of the cited reference Poisenka, U.S. Patent No. 5,389,738. Claim 10 stands rejected under 35USC102(b) on the basis of the cited reference Usui, U.S. Patent No. 5,343,025. Claims 3-6, 8, and 11 stand rejected under 35USC103(a) on the basis of the cited reference Fougere, in view of Pintsov in further view of Dolphin, U.S. Patent No. 5,457,746 or Usui. The Examiner is respectfully requested to reconsider his rejection in view of the above amendments and the following remarks.

In view of the cancellation of the original claims and the submission of new claims 12-16, Applicant submits that all of the prior rejections are now moot. Nevertheless, the art applied by the Examiner is still pertinent and Applicant seeks to direct the Examiner's attention to the fundamental differences below.

## Discussion of the Cited References

The references Gilman and Fougere each describe a franking machine which utilizes encryption when printing postal indicia. The encrypted code is incorporated in a label by use of a bar code or other readable medium. The postal worker obtains the encrypted data or message by reading or scanning the label and decrypting the code. Please refer to column 4, lines 34-50 of Gilman and column 5, lines 1-9 of Forgere. The only pertinent

part of these disclosures is that they indicate that a franking machine can use encryption. It is clear, referring to new claims 12-16 that there is many elements missing from these disclosures.

The reference Poisenka, et al, describes a tamper proof integrated circuit device having complex means to foil the most persistent attempts to breech the secured data present in the circuit. There is no reference to encryption, and none whatever to postal franking machines. This is merely a general disclosure of a secure integrated circuit. It does not support a rejection of the new claims under consideration based on anticipation.

The reference Usui discloses a supermarket check out device for self-service use. In this instance the purchaser of groceries submits packages to a scanner until the cart is empty and then presses a button to tally up the transaction. If the button is not pressed within a predetermined period, the entering process is terminated automatically. The examiner has likened this to the time-out feature of the subject invention. This is taking the subject time-out function completely out of context. There is nothing analogous between a postal security device which uses this function to hinder tampering and a check out device which uses a timing function to make it easier on the check out clerk.

The reference Pintzov discloses a means of encrypting data in a postal system to enable a user to verify the accuracy of postal calculations. In this process hash codes are used as an element of the encryption. There is nothing more in this disclosure that describes a means of implementing a postal security device in an ASIC.

The cited reference Dolphin describes a PCMCIA card used to access subscribed data on a computer media, such as a CD-ROM.

The card contains information relative to a subscriber and software which allows communication with a billing access center. This reference teaches nothing with respect to a postal security device which is used in conjunction with a postal franking system.

None of the cited references either individually or collectively anticipate or render obvious the postal security device described in new claims 12-16.

In view of the remarks stated above, Applicant submits that all of the claims under consideration contain patentable subject matter and favorable action by the Examiner is respectfully requested.

Should any unresolved issues remain, the Examiner is invited to call Applicants' attorney at the telephone number indicated below.

A check in the amount of \$950.00 is enclosed for a three month extension of time. The Commissioner is hereby authorized to charge payment for any fees associated with this communication or credit any over payment to Deposit Account No. 16-1350.

24 Nov 2003

Respectfully submitted,

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